



ARIZONA CORPORATION COMMISSION

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Boyd Dunn
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Lea Márquez Peterson
Arizona Corporation Commission

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July 3, 2019

Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: Investigation and Comprehensive Review of the Commission's Disconnection Rules and the Disconnection Policies of Public Service Corporations. Docket No. E-00000A-19-0128.

My Fellow Commissioners,

On June 14 and 18, 2019, I docketed letters requesting to see Arizona Public Service Company's (APS) 2018 disconnection numbers disaggregated by demographic data, such as age, language spoken, and zip codes. I also requested other information, such as rate plans, rate increases, low-income programs, average bills, and any and all other occurrences of medically-related injuries or incidents that may have resulted from or otherwise been associated with APS disconnections.

Receiving this information on behalf of the public was important, as we heard from the media that over 110,000 utility disconnections had occurred in APS's service territory in 2018, but we did not have a comprehensive understanding of who were experiencing those disconnections, why they were experiencing them, how our previous decisions may have caused or contributed to them, or how our future efforts could be better targeted to help champion the interests of those customers.

Today, Commission Staff provided APS' responses to some of those inquiries and the requested data for our review. I believe that as more information comes in and we continue to review this data, it will be instrumental in helping to answer some of the questions surrounding APS's disconnections and make meaningful policy improvements moving forward.

What has become clear to me throughout this APS disconnection discussion and the four new incidents that have come to light today, is just how critical access to all public services can be. The State of Arizona is a beautiful place to live that I am proud to call home; however, our state is unique in that some areas will reach high temperatures of over 120 degrees in the summer, while others will dip below zero in the winter—making continued access to standard heating, cooling, and emergency dispatch services a basic human necessity.

Heat related deaths are usually top of mind in Arizona. Last year, it was reported that 182 heat-related deaths had occurred in Maricopa County in 2018 alone. However, extreme winter weather can also be a concern if access to facilities and utility services is threatened. While this incident involving APS will lead to action on electric utility disconnections, the fact is, any interruption in utility service, whether electrical, water, gas, or telecommunications, can threaten public welfare. This reality emphasizes why I believe a broad review of continuity of service is appropriate for the entire state, especially considering there are nearly 300 regulated public service corporations in Arizona.

As this Commission proceeds with Docket No. E-00000A-19-0128 to investigate and review the Commission's disconnection rules and the disconnection policies of public service corporations, extending the Commission's request for comprehensive disconnection data from APS to all regulated entities in the state (electric, water, wastewater, gas, and telecom) – and not only for disconnections, but also for planned and unplanned service outages – is paramount. As potable water helps keep citizens cool and hydrated in the summer, natural gas heats homes in the high country during freezing winter months, and telecommunications service provides access to emergency responders in times of crisis, I would like to see the 2018 disconnection numbers for all of our regulated utilities, along with the same demographic data requested in my June 14 and 18 letters.

Extending our data requests in this way will allow us to continue to question APS and its role in this specific instance, as well as the additional specific instances we've learned of today, while also providing the necessary information the Commission needs to craft effective long-term policies that can help prevent tragedies for all Arizona utility customers in the future.

As should be clear from the thoughtful letters I and my fellow commissioners have docketed to-date,¹ understanding what happened in the tragic cases of Stephanie Pullman and the other fatalities is just one component of a larger and more comprehensive undertaking that the Commission began through this docket. Because many subsequent requests for information, follow-up questions, and ongoing cooperation with agencies, representatives, and consumer advocates will be required, I appreciate my fellow commissioners keeping our attention and efforts moving forward on shared and common goals and practical solutions for the entire state, both in the retrospective and prospective tracks of this comprehensive evaluation.

Because of the similar size and role of Salt River Project (SRP) in the Phoenix metropolitan area in comparison to APS, I would also like to see SRP's 2018 water and electric disconnection numbers, as well

¹ See Letter from Commissioner Boyd Dunn, (Jun. 13, 2019) (calling for a review of the Commission's existing disconnection rules and asking to review the current disconnection policies of all regulated utilities), PDF available at: <https://docket.images.azcc.gov/0000198640.pdf>; Letter from Commissioner Justin Olson, (Jun. 13, 2019) (calling for an investigation of what happened in Ms. Pullman's, the events leading up to and following Ms. Pullman's disconnection, and whether APS complied with the Commission's disconnection rules and its own disconnection policies), PDF available at: <https://docket.images.azcc.gov/0000198642.pdf>; Letter from Chairman Bob Burns (Jun. 14, 2019) (asking Staff to draft emergency rules to protect public health and safety during the time the Commission conducts its comprehensive evaluation and for a recommendation regarding whether other utilities' disconnection rules should be updated, such as for water, sewer, gas, and telecom companies), PDF available at: <https://docket.images.azcc.gov/E000001314.pdf>; Letter from Commissioner Lea Márquez Peterson (Jun. 14, 2019) (asking for a demographic breakdown of APS's disconnection numbers and calling for an internal investigation into who knew what, and when, and asking for any members of Staff who were involved in the 2016 APS rate case to be separated from the process to avoid any potential conflicts of interest), PDF available at: <https://docket.images.azcc.gov/0000198658.pdf>; Letter from the Arizona State Legislative Democratic Caucus (Jun. 17, 2019) (requesting APS's annual report to be updated with its latest disconnection numbers and a map showing the statewide locations of its customer disconnections), PDF's available at: <https://docket.images.azcc.gov/E000001347.pdf>, <https://docket.images.azcc.gov/E000001332.pdf>; Letter from Commissioner Sandra Kennedy (Jun. 18, 2019) (asking for a detailed review of Stephanie Pullman's accounts and balance with APS and information regarding APS's security deposits and potential earnings as a result of customer shutoffs), PDF available at: <https://docket.images.azcc.gov/E000001347.pdf>; Letter from Commissioner Lea Márquez Peterson (Jun. 18, 2019) (asking for geographical/zip code data to be included with the demographic information requested and for all other medically-related incidents related to APS's customer disconnections to be disclosed), PDF available at: <https://docket.images.azcc.gov/0000198692.pdf>; Letter from Commissioner Lea Márquez Peterson (Jun. 20, 2019) (asking the Commission to consider including additional protections in its emergency rulemaking language, such as weather definitions, best practices of other states, requirements for personal contact before disconnections of vulnerable customer groups, and the affirmative reinstatement of utility disconnection data in companies' annual reports), PDF available at: <https://docket.images.azcc.gov/0000198719.pdf>; Letter from Commissioner Justin Olson (Jun. 28, 2019) (identifying a gap in the Commission's internal policies and procedures regarding what information is escalated to the attention of elected commissioners and asking the Commission to immediately implement a new policy that would fill that gap), PDF available at: <https://docket.images.azcc.gov/0000198810.pdf>; Letter from Commissioner Lea Márquez Peterson (Jun. 28, 2019) (asking for more information regarding what happened in the case of Ms. Pullman and calling for the retrospective portion of the investigation to be conducted by an independent outside agency or contractor, emphasizing the need to avoid any potential conflicts of interest), PDF available at: <https://docket.images.azcc.gov/0000198818.pdf>.



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as any disconnection policies and procedures it can provide that have been approved by its respective boards and council members. If any municipal water providers such as the City of Phoenix, City of Tucson, City of Flagstaff, etc. were to provide their information as well, that would be helpful—as it could give the Commission an alternative perspective from which it can compare the outages and disconnection statistics of regulated entities from those of non-regulated entities.

Working to protect public health and safety for patrons of public service corporations is, and should be, a top priority for the Commission. As a statewide official, I'd like to emphasize this priority and work together with all interested agencies, legislators, and stakeholders to find the best policies for protecting the entire state in the future.

Sincerely,

Lea Márquez Peterson
Commissioner